

ALASKA POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT FACT SHEET- MODIFICATION #2

Permit Number: AK0022942

Golden Valley Electric Association, Inc. Healy Power Plant

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Wastewater Discharge Authorization Program
555 Cordova Street
Anchorage, AK 99501

Public Comment Period Start Date: July 27, 2017

Public Comment Period Expiration Date: August 25, 2017

Note: Only comments that are related to Permit Sections 1.2.9 and 1.2.10 modifications described herein will be accepted.

Alaska Online Public Notice System

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Alaska Department of Environmental Conservation

Division of Water

Wastewater Discharge Authorization Program

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Modification to the Alaska Pollutant Discharge Elimination System (APDES) permit to:

GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.

For wastewater discharges from the

Healy Power Plant

Mile 2.5 Healy Spur Road

Healy, AK, 99743

The Alaska Department of Environmental Conservation (the Department or DEC) proposes to modify the APDES individual permit (permit) to Golden Valley Electric Association, Inc. (GVEA). The permit authorizes and sets conditions on the discharge of pollutants from this facility to waters of the United States. In order to ensure protection of water quality and human health, the permit places limits on the types and amounts of pollutants that can be discharged from the facility and outlines best management practices to which the facility must adhere.

This fact sheet explains the nature of modifications to the Healy Power Plant APDES permit AKG0022942 including:

- information on public comment, public hearing, and appeal procedures
- modified/strikeout pages of the permit and fact sheet

Public Comment

Persons wishing to comment on, or request a public hearing for the draft permit modification for this facility, may do so in writing by the expiration date of the public comment period.

Commenters are requested to submit a concise statement on the permit condition(s) and the relevant facts upon which the comments are based. Commenters are encouraged to cite specific permit requirements or conditions in their submittals.

A request for a public hearing must state the nature of the issues to be raised, as well as the requester's name, address, and telephone number. The Department will hold a public hearing whenever the Department finds, on the basis of requests, a significant degree of public interest in a draft permit. The Department may also hold a public hearing if a hearing might clarify one or more issues involved in a permit decision or for other good reason, in the Department's discretion. A public hearing will be held at the closest practicable location to the site of the operation. If the Department holds a public hearing, the Director will appoint a designee to preside at the hearing. The public may also submit written testimony in lieu of or in addition to providing oral testimony at the hearing. A hearing will be tape recorded. If there is sufficient public interest in a hearing, the comment period will be extended to allow time to public notice the hearing. Details about the time and location of the hearing will be provided in a separate notice.

All comments and requests for public hearings must be in writing and should be submitted to the Department at the technical contact address, fax, or email identified above (see also the public comments section of the attached public notice). Mailed comments and requests must be <u>postmarked</u> on or before the expiration date of the public comment period.

After the close of the public comment period and after a public hearing, if applicable, the Department will review the comments received on the draft permit. The Department will respond to the comments received in a Response to Comments document that will be made available to the public. If no substantive comments are received, the tentative conditions in the draft permit will become the proposed final permit.

The proposed final permit will be made publicly available for a five-day applicant review. The applicant may waive this review period. After the close of the proposed final permit review period, the Department will make a final decision regarding permit issuance. A final permit will become effective 30 days after the Department's decision, in accordance with the state's appeals process at 18 Alaska Administrative Code (AAC) 15.185.

The Department will transmit the final permit, fact sheet (amended as appropriate), and the Response to Comments to anyone who provided comments during the public comment period or who requested to be notified of the Department's final decision.

The Department has both an informal review process and a formal administrative appeal process for final APDES permit decisions. An informal review request must be delivered within 15 days after receiving the Department's decision to the Director of the Division of Water at the following address:

Director, Division of Water Alaska Department of Environmental Conservation 410 Willoughby Street, Suite 303 Juneau AK, 99811-1800. Interested persons can review 18 AAC 15.185 for the procedures and substantive requirements regarding a request for an informal Department review.

See http://www.dec.state.ak.us/commish/InformalReviews.htm for information regarding informal reviews of Department decisions.

An adjudicatory hearing request must be delivered to the Commissioner of the Department within 30 days of the permit decision or a decision issued under the informal review process. An adjudicatory hearing will be conducted by an administrative law judge in the Office of Administrative Hearings within the Department of Administration. A written request for an adjudicatory hearing shall be delivered to the Commissioner at the following address:

Commissioner Alaska Department of Environmental Conservation 410 Willoughby Street, Suite 303 Juneau AK, 99811-1800

Interested persons can review 18 AAC 15.200 for the procedures and substantive requirements regarding a request for an adjudicatory hearing. See http://www.dec.state.ak.us/commish/ReviewGuidance.htm for information regarding appeals of Department decisions.

Documents are Available

The permit, fact sheet, and related documents can be obtained by visiting or contacting DEC between 8:00 a.m. and 4:30 p.m. Monday through Friday at the addresses below. The permit, fact sheet and other information are located on the Department's Wastewater Discharge Authorization Program website: http://www.dec.state.ak.us/water/wwdp/index.htm.

Alaska Department of Environmental Conservation	Alaska Department of Environmental Conservation
Division of Water	Division of Water
Wastewater Discharge Authorization Program	Wastewater Discharge Authorization Program
555 Cordova Street	610 University Avenue
Anchorage, AK 99501	Fairbanks, AK 99709
(907) 269-6285	(907) 451-2100

PROPOSED MODIFICATION:

Remove Permit Sections 1.2.9 and 1.2.10 from the final Golden Valley Electric Association (GVEA) Healy Power Plant Permit issued on April 10, 2017.

MODIFICATION DESCRIPTION:

The final GVEA Healy Power Plant Permit was issued on April 10, 2017 with an effective date of June 1, 2017. On May 10, 2017, GVEA requested a timely adjudicatory hearing per 18 Alaska Administrative Code (AAC) 15.200 on the issuance of the April 10, 2017 permit. The request was to stay the bottom ash transport requirements in Permit Sections 1.2.9 and 1.2.10 until the Environmental Protection Agency (EPA) finalized recently announced revisions to Code of Federal Regulations (CFR) 40 CFR 423 (Steam Electric Power Generating Point Source Category) per 18 AAC 15.210, and a concurrent request for alternative dispute resolution in lieu of the adjudicatory hearing to revise Permit Sections 1.2.9 and 1.2.10 per 18 AAC 15.205. GVEA's request followed EPA's April 12th, 2017 decision to reconsider revisions to the Steam Electric Effluent Limitation Guidelines (ELG) and standards in 40 CFR 423, published in the Federal Register on November 3, 2015. EPA's decision includes a stay of the compliance dates contained in 40 CFR 423 that have not yet passed.

On May 19, 2017, per 18 AAC 15.200(d), the Alaska Department of Environmental Conservation (DEC or Department) public noticed GVEA's request for an adjudicatory hearing regarding the requested stay of Permit Sections 1.2.9 and 1.2.10 as well as the concurrent request for alternative dispute resolution in lieu of the adjudicatory hearing to revise the permit pending EPA's final action on 40 CFR 423. DEC did not receive any outside agency responses to the public notice.

On June 1, 2017, DEC's Division of Water (Division) responded to the request for hearing and request for alternative dispute resolution. In the response the Division recommended that the Commissioner stay Permit Sections 1.2.9 and 1.2.10 and remand those sections to the Division in order for the Division to modify the sections not in compliance with existing Steam Electric Power Generating Point Source Category ELG (40 CFR 423).

On June 23, 2017, the Commissioner (in accordance with 18 AAC 15.220) agreed that the compliance dates in Permit Sections 1.2.9 and 1.2.10 should be stayed and that those provisions should be remanded to the Division. The Commissioner stated that because EPA had postponed the compliance dates in 40 CFR 423 the April 10, 2017 permit terms (i.e., Permit Sections 1.2.9 and 1.2.10) are inconsistent with current Steam Electric Power Generating Point Source Category ELGs and therefore the subject permit terms require modification. The Commissioner subsequently remanded Permit Sections 1.2.9 and 1.2.10 to the Division for further consideration and stayed the compliance deadlines for those sections until the effective date of the re-issued permit. Furthermore, as a result of the decision to remand and stay, the Commissioner denied GVEA's request for alternative dispute resolution citing that alternative dispute resolution would be premature at this point. All other provisions and requirements of the permit remain in effect.

Consistent with DEC's Administrative Procedures in 18 AAC 15, as amended through August 15, 2010 and 18 AAC 83.135, cause to modify or revoke and reissue permit, the Division is modifying GVEA's permit issued on April 10, 2017. The sections of the permit and fact sheet that have been modified are described in Table 1 below. Table 2 contains the deleted sections from the permit and fact sheet. Revised permit, fact sheet and appendix pages are attached and will replace the corresponding pages in GVEA's final permit issued April 10, 2017. No other parts of the permit, fact sheet, or supporting documents issued on April 10, 2017 are being proposed to be modified, and as such, are not open to public comment.

Table 1. Permit and Fact Sheet Modifications

Document	Location	Modification	Basis
Permit	Table 1. Schedule of Submissions	Removed the submission requirement related to Permit Section 1.2.9	The removal of Permit Section 1.2.9 eliminates the requirement to provide notice to DEC within seven days of eliminating the discharge of bottom ash transport water.
	Permit Section 1.2.9 and Permit Section 1.2.10	Removed Permit Sections 1.2.9 and 1.2.10	EPA's stay of applicable compliance dates in 40 CFR 423.
			18 AAC 15.200, Request for an adjudicatory hearing
			18 AAC 15.205, Alternative dispute resolution
			18 AAC 15.210, Stay of decision
			18 AAC 15.220, Action on hearing requests
			18 AAC 83.135, Cause to modify or revoke and reissue permit
Fact Sheet	Table 4. Effluent and Monitoring Requirement Changes from Prior Permit	Removed the bottom ash transport water effluent and monitoring requirement changes that had occurred between the 2011 and 2016 permits.	The removal of Permit Sections 1.2.9 and 1.2.10 results in no change to permit terms relating to the bottom ash transport water requirements from the prior permit to the current permit.
Fact Sheet Appendix B	Appendix B, Section B.3.3	Removed the basis for the cessation of bottom ash transport water and replaced with the basis for the selection of bottom ash transport water limits.	The regulatory basis for the cessation of the bottom ash transport water does not apply because the removal of Permit Sections 1.2.9 and 1.2.10 eliminates the requirement to cease the discharge of bottom ash transport water.

Table 2. Sections Deleted from the Permit and Fact Sheet

Permit, Table 1. Schedule of Submissions						
Location of Requirement	Submittal or Completion	Frequency	Due Date	Submit to ^a		
Permit Section 1.2.9	Bottom Ash Transport Water Discharge Elimination	As required	Provide written notice to DEC within seven days of eliminating the discharge of bottom ash transport water.	Compliance Program		

Permit Section 1.2.9

There shall be no discharge of bottom ash transport water. Discharge of bottom ash transport water must cease as soon as possible beginning November 1, 2018 but no later than October 1, 2021. In no case shall bottom ash transport water be discharged after December 31, 2023. The permittee must provide written notice to DEC within seven days of eliminating the discharge of bottom ash transport water.

Permit Section 1.2.10

Until the discharge of bottom ash transport has ceased as required in Permit Section 1.2.9, the quantity of pollutants discharged in bottom ash transport water shall not exceed the concentrations of Total Suspended Solids (TSS) and Oil and Grease listed in Table 2.

Fact Sheet, Table 4. Effluent and Monitoring Requirement Changes from Prior Permit

Bottom Ash Transport Water (Outfall 001A)		
2011 Permit	Intermittent bottom ash overflow treated by Unit 2 wastewater treatment system and discharged through Outfall 001A. Regulated as a component of low volume wastewater.	
2016 Permit	There shall be no discharge of bottom ash transport water.	
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Fact Sheet Appendix B, Section B.3.3

B.3.3. Bottom Ash Transport Water

The more stringent of the standards at 40 CFR 423.15 and 40 CFR 423.13 state that there shall be no discharge of pollutants in bottom ash transport water. 40 CFR 423.15 contains TSS and Oil and Grease limits; therefore, DEC has selected the more stringent requirement that there shall be no discharge of pollutants in bottom ash transport water as the limit in this permit. Golden Valley Electric Association relayed to DEC that they will need additional time to allocate funds to design, procure, and modify the bottom ash overflow wastestream. They expect that the modifications to the Unit 2 bottom ash system will be completed by October 2021.

Therefore, in accordance with 40 CFR 423.13(k)(1)(i), the permittee must cease the discharge of bottom ash transport water as soon as possible beginning November 1, 2018 but no later than October 1, 2021. Furthermore, that in no case shall bottom ash transport water be discharged after December 31, 2023. Bottom ash transport water is a component of the low volume wastestream at the Healy Power Plant. Until the discharge of bottom ash transport water has ceased, bottom ash transport water shall be regulated as a component of low volume waste sources. (See Permit Section 1.2.10 and B.3.4, below)